FORM	MR-SUR

Mar	24	2006

Bond Number	 P
Surety NAIC No.	
Permit Number	 
Mine Name	

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	EMILE TORREST	******	 	,

## RECEIVED

MAR 3 1 2010

Div. of Oil, Gas & Mining

#### ATTACHMENT A

To

RECLAMATION CONTRACT
BETWEEN PRINCIPAL AND DIVISION

#### STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

Division of Oil, Gas and Mining

1594 West North Temple Suite 1210 Box 145801

Salt Lake City, Utah 841 14-5801

Telephone: (801) 538-5291

Fax: (801) 359-3940

## THE UTAH MINED LAND RECLAMATION ACT

#### SURETY BOND

The undersigned JP Excavating, Inc.	, as Principal,
a Corporation organized under the	ne laws of the State of Utah and
Great American Insurance Company, as S	urety, a Corporation
organized under the laws of the State of Ohio our heirs, administrators, executors, successors, and assi	, hereby jointly and severally bind ourselves, gns, jointly and severally, unto the State of N/A
(other agency, if any) in the penal sum of Sixteen T	Phousand and 00/100
dollars (\$ 16,000.00_).	
This Surety Bond is provided to secure the oblig and conditions of the Reclamation Contract, and any adaffected by mining operations as identified in the Notice applicable, by the Division on the day of	dendums thereto, to reclaim lands that will be of Intention received, or approved if
The lands that are covered by this Surety Bond a	are the Lands Affected by mining
operations as defined and described in the above	Notice, and the Mining and
Reclamation Plan if required, subject to terms as	nd conditions of the Reclamation
Contract.	

The condition of this obligation is that if the Division determines that Principal has satisfactorily reclaimed the disturbed lands in accordance with the Mining and Reclamation Plan or Notice and has faithfully performed all requirements of the Mined Land Reclamation Act, and complied with the Rules

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and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect. Failure of the Principal to fulfill the obligations specified by the Mined Land Reclamation Act and the Rules adopted there under, and in accordance with the specification of the Principal's Mining and Reclamation Plan or Notice, may result in forfeiture of this bond in accordance with the applicable statutes and regulations.

If the Mining and Reclamation Plan or Notice provides for periodic partial reclamation of the lands affected, and if the lands are reclaimed in accordance with such Plan or Notice, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond. In the converse, if the Mining and Reclamation Plan or Notice provides for a gradual increase in the lands affected or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety. The amount of reclamation surety may also be adjusted as a result of a periodic review by the Division, which shall take into account inflation/deflation based upon an acceptable Costs Index, or at the request of the operator.

This bond may be canceled by Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Written notice to the Division and Principal as required by this paragraph shall be provided by certified mail or by a courier service that provides proof of delivery by signature of the recipient. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Surety is licensed to do business in Utah and is rated by A. M. Best as A- or better or rated as having Financial Performance Rating (FPR) of 8 or better, and is listed in the U. S. Department of Treasury's Circular "570." Upon incapacity of the Surety by reason of bankruptcy, insolvency, or suspension or revocation of its license, or upon failure to maintain the A. M. Best or FPR rating and listing on Circular "570", Principal shall be without adequate bond coverage as required by the Division and shall have 120 days after notice to replace the bond with other bonds acceptable to the Division. If the Principal does not replace this surety bond as required, the Division may order cessation of mining operations and commence actions to enforce its rights against the Surety. The Surety's liability shall continue and the Surety will remain fully liable for all reclamation obligations of the Principal incurred until this surety bond is forfeited, or the conditions of this obligation have been satisfied.

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IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

JP Excavating, Inc	0.05
Principal (Permittee) MIChon Po	esident
By (Name and Title typed):	
	3.10.2010
Signature	Date
Surety Company	
Great American Insurance Company	580 Walnut St.
Surety Company Name	Street Address
Rossanna P. Latini	Cincinnati, OH 45202
Surety Company Officer	City, State, Zip
Attorney in Fact	513-723-2740
Title/Position	Phone Number
Rossana P. Latin	03/10/2010
Signature	Date

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SO AGREED this 3/31 day of Marg , 20 10.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

John R. Baza, Director

Utah State Division of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety, such Power of Attorney must be filed with this bond. If the Operator is a corporation, the bond shall be executed by its duly authorized officer.

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Bond Number	<u>.                                    </u>	_	_
Surety NAIC N	No		_
Permit Number	r		_
Mine Name		 _	_

# AFFIDAVIT OF QUALIFICATION

On the 10th day of March, 2 personally appeared before me, who being by me du Rossanna P. Latini is the Great American Ins. Co. and duly acknowledged to he/she is duly authorized to execute and deliver the	Attorney in Fact of of owledged that said instrument was signed on behalf lution of its board of directors and said ome that said company executed the same, and that foregoing obligations; that said Surety is authorized
to execute the same and has complied in all respects sole surety upon bonds, undertaking and obligations	s with the laws of Utah in reference to becoming
sole surety upon bonds, undertaking and obligations	
	Signed: Kellane P. Latin Surety Officer
	Title: Attorney-in-fact
STATE OF <u>Utah</u> ) ss: COUNTY OF <u>Washington</u> )	
Subscribed and sworn to before me this 10th day	March , 20 10.  Motary Public Residing at: Santa Clara, UT 84765
	Residing at.
My Commission Expires:	NOTARY PUBLIC
<u>7/28</u> , 20 <u>12</u> .	MAPIK A. LATINI COMMISSION EXPIRES JULY 20, 2012 STATE OF UTAH

### **GREAT AMERICAN INSURANCE COMPANY®**

Administrative Office: 580 WALNUT STREET CINCINNATI, OHIO 45202 513-369-5000 FAX 513-723-2740

The number of persons authorized by this power of attorney is not more than TEN

No.

#### POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below its true and lawful attorneyin-fact, for it and in its name, place and stead to execute in behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

GUYANNE L. HANSEN KEVIN W. ANDREWS STEPHANIE GARAHANA TRACY A. MERVIN VICKI SORENSON Name
JACE PEARSON
BRETT D. MAYER
GAYLE WOOD
MARK A. LATINI
ROSSANNA P. LATINI

ALL OF SALT LAKE CITY, UTAH

Address

ALL \$75,000,000.00

Limit of Power

This Power of Attorney revokes all previous powers issued in behalf of the attorney(s)-in-fact named above.

IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 19<sup>th</sup> day of, MAY , 2009.

Attest

GREAT AMERICAN INSURANCE COMPANY

STATE OF OHIO, COUNTY OF HAMILTON - ss:

DAVID	C.	KITCHIN	(513-412-4602)

On this 19<sup>th</sup> day of MAY , 2009, before me personally appeared DAVID C. KITCHIN, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is the Divisional Senior Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal of the said Company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated March 1, 1993.

RESOLVED: That the Division President, the Division Senior Vice President, the several Divisional Vice Presidents and Divisional Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.

RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract or suretyship or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

#### CERTIFICATION

I, STEPHEN C. BERAHA, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of June 9, 2008 have not been revoked and are now in full force and effect.

Signed and sealed this 10th

day of, March

,2010.